

STATE OF CALIFORNIA



**CONSUMER POWER AND
CONSERVATION
FINANCING AUTHORITY**



**ENERGY RESOURCES
CONSERVATION AND
DEVELOPMENT COMMISSION**

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**HIGH RATING BODES WELL FOR FIRST ISSUE OF
POWER AUTHORITY REVENUE BONDS FOR ENERGY COMMISSION
LOAN PROGRAM**

SACRAMENTO—California Power Authority Chairman S. David Freeman and California Energy Commissioner Robert Pernell jointly announced the scheduled sale of up to \$30 million of Series 2003A Energy Efficiency Revenue Bonds for a successful Energy Commission loan program, which provides energy efficiency funding to public jurisdictions in California. Moody's Investors Service has given an "Aa3" rating to the announced issuance.

"The Power Authority looks forward to issuing its first round of revenue bonds that will help finance efficiency measures for local government and school districts to cut their electricity costs," says Power Authority Chairman S. David Freeman. "The Energy Commission's strong management of Energy Conservation Assistance Act (ECAA) funding program has created the opportunity for the Power Authority to go to the market with an excellent bond rating."

The Power Authority and the Energy Commission have authorized the issuance of the Series 2003A Bonds, with a final maturity in 2014. The Bonds are expected to be sold during the final week of March 2003.

Supported by the ECAA loan program, the Power Authority will offer for sale up to \$30 million in revenue bonds. Proceeds from the bond sale will leverage the Commission's Energy Efficiency Loan fund to make additional loans for energy conservation projects during the next three years.

"That's great news," said Commissioner Pernell. "The high rating from one of the nation's leading credit rating agencies is a tribute to our sound management of the Energy Conservation Assistance Act loan program."

In existence since 1979, the ECAA's low-interest loan program has made 646 loans for a combined \$135 million to fund energy conservation improvements. These improvements in turn reduce energy costs to schools, cities, counties, public/non-profit hospitals and public care institutions.

The Power Authority was created to help ensure reasonably priced, long term and reliable electricity while also promoting energy efficiency and demand solutions to help achieve adequate reserves. In meeting this mission, the Power Authority is authorized to invest in needed power plants, cost effective energy efficiency and renewable energy projects to reduce the demand for energy in California. With its ability to issue up to \$5 billion in revenue bonds, the Power Authority is authorized to loan funds to be delivered through existing loan programs of other state agencies, such as the Energy Commission.

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